

HOUSE BILL NO. 1107

Introduced by

Finance and Taxation Committee

(At the request of the Tax Commissioner)

1 A BILL for an Act to amend and reenact subsection 2 of section 57-15-01.1 of the North Dakota
2 Century Code, relating to the effect on property tax levy limitations of property exempt from
3 property taxes by local discretion or charitable status.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Subsection 2 of section 57-15-01.1 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 2. For purposes of this section:

8 a. "Base year" means the taxing district's taxable year with the highest amount
9 levied in dollars in property taxes of the three taxable years immediately
10 preceding the budget year. For a park district general fund the "amount levied
11 in dollars in property taxes" is the sum of amounts levied in dollars in property
12 taxes for the general fund under section 57-15-12 including any additional
13 levy approved by the electors, the insurance reserve fund under section
14 32-12.1-08, the employee health care program under section 40-49-12, the
15 public recreation system under section 40-55-09 including any additional levy
16 approved by the electors, forestry purposes under section 57-15-12.1 except
17 any additional levy approved by the electors, pest control under section
18 4-33-11, and handicapped person programs and activities under section
19 57-15-60;

20 b. "Budget year" means the taxing district's year for which the levy is being
21 determined under this section;

22 c. "Calculated mill rate" means the mill rate that results from dividing the base
23 year taxes levied by the sum of the taxable value of the taxable property in the

- 1 base year plus the taxable value of the property exempt by local discretion or
2 charitable status, calculated in the same manner as the taxable property; and
3 d. "Property exempt by local discretion or charitable status" means property
4 exempted from taxation as new or expanding businesses under
5 chapter 40-57.1; improvements to property under chapter 57-02.2; or
6 buildings belonging to institutions of public charity, new single-family
7 residential or townhouse or condominium property, property used for early
8 childhood services, ~~or~~ pollution abatement improvements under section
9 57-02-08, or property exempted from taxation as a renaissance zone project
10 under section 40-63-05.